

**UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF IOWA  
DAVENPORT DIVISION**

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IN THE MATTER OF:	:	CASE NO. 17-1255-lmj13
ROBERT N. GERST and	:	CHAPTER 13
CASSIE A. GERST,	:	TRUSTEE'S OBJECTION TO
	:	CHAPTER 13 PLAN
DEBTORS.	:	

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COMES NOW the Chapter 13 Trustee, by and through her attorney, and for her Objection to Chapter 13 Plan states the following to the Court:

1. On June 23, 2017, the debtors filed their Chapter 13 Plan. Their plan requires monthly payments to the trustee in the sum of \$4,515.40 for a term of 36 months. The plan also provides that the debtors will turnover income tax refunds with the exception of certain credits, and 50% of bonus income each year. After payment of secured and priority claims, the debtors estimate that unsecured creditors will be paid in full.

2. The plan appears to direct the trustee to satisfy the ongoing mortgage payments owed to Veteran's United Home Loan. Said provision is virtually impossible for the trustee to administer and maintain ongoing mortgage payments. Pending reconsideration of said provision, the trustee cannot recommend confirmation.

3. The provisions regarding the retention of portions of bonuses and tax refunds fails to devote all projected disposable income to the repayment of creditors. Pending removal of said provision from the plan form, the trustee cannot recommend confirmation.

4. The debtors' plan appears to treat four (4) federal student loan obligations as priority claims. Said obligations fail to constitute priority claims under the Bankruptcy Code. Additionally, the debtors' monthly budget continues to contain a student loan installment obligation. Pending consideration of the debtors' intentions with regard to student loan obligations, the trustee cannot recommend confirmation.

5. Any proposal to make direct payments on student loan obligations will be objectionable unless all other allowed claims are guaranteed a 100% distribution.

6. The debtors' Schedule J also contains a motorcycle installment payment. The debtors' plan appears to direct the trustee to satisfy two (2) secured claims held by University of Iowa Credit Union, one (1) concerning a motorcycle. Pending clarification of the debtors' intentions in this regard, the trustee cannot recommend confirmation.

7. The debtors also schedule an interest in another motorcycle secured to Performance Finance. The plan does not appear to make any provision for this obligation. Again, pending clarification of the debtors' intentions in this regard, the trustee cannot recommend confirmation.

8. According to the debtors' Form 122C-2, their income is in excess of the median household income for a family of their size. Accordingly, unless the debtors ensure a 100% distribution to all creditors, the applicable commitment period for their Chapter 13 Plan must be 60 months.

WHEREFORE, the Chapter 13 Trustee respectfully objects to the debtors' Chapter 13 Plan and requests that confirmation be denied and for such other and further relief as is just and equitable in the premises.

Respectfully submitted,

/s/ Carol F. Dunbar  
Carol F. Dunbar #IS9999962  
Chapter 13 Trustee

/s/ Elizabeth E. Goodman  
Elizabeth E. Goodman #IS9999100  
Attorney for Ch. 13 Trustee  
505 5th Avenue, Suite 520  
Des Moines, IA 50309  
(515) 283-2713

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true copy of the foregoing TRUSTEE'S OBJECTION TO CHAPTER 13 PLAN was served upon the following parties at the addresses shown below by enclosing the same in an envelope addressed to each such person, with postage full paid and by depositing said envelope in the United States Post Office depository in Des Moines, Iowa, on the 9th day of August, 2017.

/s/ Traci Sharp

Neil & Cassie Gerst  
2202 S. 4<sup>th</sup> Street  
Burlington, IA 52601

Notice will be electronically mailed by the Clerk of Court to:

Mitchell L. Taylor @ [mltaylor@burlington-attorneys.com](mailto:mltaylor@burlington-attorneys.com)

Synchrony Bank @ [claims@recoverycorp.com](mailto:claims@recoverycorp.com)

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